**Journal of Accounting**
**Vol. 11 (2) July – December 2022**

# EFFECT OF CORPORATE GOVERNANCE ON PERFORMANCE OF QUOTED CONSUMER COMPANIES IN NIGERIA.

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**Abstract**

*The main objective of this study is to determine the effect of corporate governance on financial performance of quoted consumer goods companies in Nigeria over a period of ten (10) years (2011- 2020). This study employed Board Gender Diversity (BGD), Audit Committee meeting (ACM), Board Size (BS), and Board Independence (BI) to represent mechanisms in determining their effect on performance of the Return on Asset(ROA) as proxies dependent variable. The ex-post-facto research design was used study; the secondary data was obtained from the panel variable (strongly balanced) of the selected consumer goods companies quoted on the Nigeria Exchange Limited (NEL). Descriptive statistics, Correlation, and panel regression analysis in the form of Generalized Least Squares (GLS) is the main technique used for the analysis. The results showed that Board size has positive and insignificant effect on Return on Assets (ROA) of quoted consumer's goods firms in Nigeria. Secondly, Board independence has positivity and significant effect on ROA of quoted consumer's goods firms in Nigeria. Thirdly, Board diversity (women directors) has a positive and significant impact on ROA of quoted consumer's goods firms in Nigeria. Fourthly, Audit Committee meeting has a positive and significant effect on ROA of quoted consumer's goods firms in Nigeria at a 5% level of significance. The study recommended the BS and BI directors should be streamlined, structured, widen, and increased the diverse expertise and skills, hence increasing performance and improving the health and wealth of consumer goods companies.*

***Keywords:*** *Audit Committee Meeting, Board Gender diversity, Board size, Corporate Governance, and Financial Performance.*

## Introduction

Corporate governance (CG) processes are a system, rules, and practices organizations or companies are governed by and who have powers to make decisions and accountability. CG helps to ensure that businesses should have appropriate quality decision-making processes, directs and controls, and ensures that the interest of employees, shareholders, community, suppliers, and all stakeholders involves are balanced. The Organization for Economic Co-operation and Development (OECD 2010) documents that corporate governance is the set of processes, customs, policies, and institutions affecting the way companies are directed, administered, or controlled.

According to a researcher, CG emerged as a result of the desire of business regulators to enforce corporate performance and the issue of corporate governance has been debated especially in the consumer goods companies in other parts of the world. In Nigeria, consumer goods companies have contributed immensely to their national economy and a nation's economy depends on the viability of its consumer companies because it is very pivotal for national development. A group of researchers documented that in Nigeria, the consumer companies or industries play a crucial role in the process of development economic and that the Nigerian consumers good companies had witnessed crisis which led to distress in the sector.

The corporate Governance (CG) first code was issued by (SEC in 2003) and by (CBN in 2006) for the banking industry. (FRC 2011), Adepetun and Segun 2020) Code, which is aimed at institutionalizing best practices in corporate governance in Nigeria in order to restore confidence in the Nigerian economy and create an environment for sustainable business operations. The Code provides a good framework for CG practices in the private and public sectors of the Nigerian economy by articulating a broad set of principles on corporate accountability, transparency, and sustainability for both private and public companies (George 2019).

The aim of a business organization is to maximize profit and create wealth for shareholders' return on investment. Therefore, as the consumers goods companies attract more investments which results in an improved performance of Nigeria's economy. Sound Corporate Governance is being embraced in the world since it is seen as a catalyst in stabilizing the global capital markets and protecting investors. The research interest to investors, the Securities and Exchange Commission and in addition serves as feedback on whether corporate governance has improved the performance of quoted consumer companies in Nigeria, (NCCG 2018).

Inadequate levels of compliance with codes of corporate governance which led to inadequate keeping of financial records have caused financial losses to companies, shareholders, and society. Lack of risk assessment procedures as well as poor disclosure level of consumers goods amongst others were identified as the major causes for the setback, no uniform standard for corporate governance companies across all consumers goods sectors and poor corporate governance in the consumer goods companies in Nigeria have resulted in the liquidation of companies which have had effects on personal savings, pensions, and gratuities trust funds.

Following these arguments, the researcher formulated the below-stated hypotheses in the null form to navigate the investigations:

Ho1: Board Gender Diversity has no significant effect on the performance of consumer goods companies in Nigeria.

Ho2: Audit committee meetings have no significant effect on the performance of consumer goods companies in Nigeria

Ho3: Board size has no significant effect on the performance of consumer goods companies in Nigeria.

Ho4: Board independence has no significant effect on the performance of consumer goods companies in Nigeria.

Ho5: Return on Assets has no significant effect on the performance of consumer goods companies in Nigeria.

**Review of Related Literature**

**Corporate Governance**

Corporate Governance has received wide research attention for more than three (3) decades. The definition of the term goes in line with who is defining the term. For example, the way an investor will define the term may be different from the manager in the company definition. According to Mayowa Ebenezer A, Olusola Enitan O and Olaiya Kehinde I. (2021) corporate governance is referring to corporate decision-making and control particularly the structure of the board and its working procedures. Corporate Governance (CG) as defined by Ololade, Elizabeth Balogun (2021) is the arrangement between the managers of the company and the owners of the company, particularly, addressing the issue of how managers report the financial health of the company to the owners. The development of share prices, while others view the company perform when it has a lot of profit or it has increased its present value Muhammad Tanko and Oladele O. Kolawole. (2010)

Building good transparency, credibility, and ensuring accountability, as well as maintaining an effective disclosure channel that can foster good performance of consumer companies on the trademark of CG. Studies have shown that there is a relationship between CG and stakeholders' confidence. These companies are frequently regulated which go a very long way in impeding natural CG mechanism. The idea or essence of the regulation to reduce systematic risk in the system which often time is at variance with the aim and objective of the goal of shareholders.

Board gender diversity in the context of CG is the composition of the board and different qualities, combinations, characteristics, and expertise of individual members in relationship to decision-making of the board processes. Ololade et al (2021) BGD is a significant aspect of CG, it is defined as the presence of female directors on the board of directors of corporations.

**Audit Committee Meeting**

The Audit Committee Meeting (ACM) and performance, audit committee in Nigeria, was created by the Companies and Allied Matters Act, (CAMA 2020) as one of the CG attributes that would help monitor the oversight functions of the board of directors. Section 359 (4) of CAMA (2020), stipulates that an audit committee shall consist of an equal number of directors and representatives of the shareholders of the company subject to a maximum number of six members. Aldamen, Duncan, and Kelly (2012) the audit committee is a key monitoring mechanism, both in respect of shareholders' and stakeholders' interests. Empirical evidence documents that ACM and performance have the likelihood of reducing earnings management thereby improving on the performance and investigate CG mechanisms Pratama, Tammubua and Numberi (2019).

**Board Size**

Board size and performance of a high number of decision-makers in any committee may reduce their effort and give rise to some degree of free riding Awodiran M. A. (2019). There are several studies supporting the notion that small board sizes enhance the performance of quoted consumer goods companies in Nigeria. According to Adepetun, Caxton-martins Agbor, and Segun (2020), board size had a negative significant effect on financial performance.

**Board Independence**

Section 4.3 of the SEC Code, states that the majority of the directors on the board of public companies should be non-executive directors and that at least one of them should be an independent director Mayona et al (2021). A non-executive director is not a part of the management of the company; an independent director is not only a non-executive director but also a director who holds no substantial shares of the company. Board independent director is not a representative of any stakeholder (employees, the general public etc.) of the company and holds no interests in the company Guidance Opinion on the Establishment of an Independent

Director System in quoted Companies (Guideline Opinion) 2001independent directors are empowered to ensure that the lawful rights and interests of minority shareholders are not prejudiced.

**Return on Assets (ROA)**

Return on Assets and performance is also used to calculate the company's net income by its total assets. Formula is expressed as: ROT = Net Income/Total Income. The concept of company profitability literature in accounting refers to profit, return on assets and economic value. ROA and performance is not a faultless instrument used in measuring Ebe, (2021).

**Concept of Financial Performance**

Performance is the ability of the company to achieve its mission statement through strong management, governance and a persistent rededication to achieve it goods. A well-managed oriented nonprofits organization are adaptability mission statement driven, entrepreneurial customer focused and sustainable development. Lin Honglui (2017). The measurement standard of company performance has not been agreed upon due to different views on which outcomes to use to gauge the effectiveness of an organization and since performance described according to theory and purpose of the research being conducted Awodiran (2019). There are however challenges in using these measurers for starters most manger is unwilling to allow researchers access their financial records, most studies that are available rely on perceived results rather than actual results..

**Corporate Governance and Performance**

Many researches have been carried out on the concept of Corporate Governance (CG) and it contributes to the efficiency and economic growth of companies in Nigeria. Efficiency in CG is the most effective way of supervising the operations of company performance, which help to maximize shareholders' wealth as the main goal of the company and reduced organization misconduct and enforcement of policies and decisions aimed at securing stakeholders and shareholders' right Gompers and Ishii (2003).

A good CG practices improve a positive effect of reduction in agency costs and inefficiencies resulting from conflicting interests between owners and stakeholders' improvement in company's competitive advantage among their counterpart's comparison and fulfillment of corporate social responsibilities in the communities where the company operates OECD, 2004. CG increases the willingness of investors to invest in such companies. Ololade (2021) CG implementation structure helps companies to have access to fund and increase returns which results in an improvement in their earning. In order to compete effectively in a dynamic world, companies must be continually innovative and adapt good CG practices and frameworks.

**Empirical Review**

There are several previous empirical review investigations on the effect of CG on performance of quoted consumer companies in developed and developing countries. Some of these studies are reviewed below with a view to observing the trends of the gaps and the findings in literature. Mayowa, Olusola, and Olaiya (2021) examine the effect of CG on firm performance using accounting measures based on the profitability status of the companies depending on cash flows and inflow from the income statement. In a sample of selected consumer goods companies, the study revealed that BS has a positive significant effect on return on sales. BS and BI has positive significant effect on profit margin. BS and BI negative significant effect on operating cash flow. Based on the findings, it is recommended that the organization should take cognizance of its board size since it influences the rate of turnover which is an intrinsic component of the overall performance of the organization. Ololade, Elizabeth Balogun (2021) study is to determine the impact of corporate governance on financial performance of consumers goods firms in Nigeria; over a period of five (5) years (2015-2019) and the study work employed BS, BI, BGD and board meeting to represent mechanism in determining their impact on performance of the ROA as proxies dependent variables. Ex-post fact research design was used for this study using secondary data.

And Awodiran Muideen Adeseye (2019) study examined the effect corporate governance and financial performance of listed consumer goods firms in Nigeria. The population is made up of all listed consumer goods firms in Nigeria 16 companies were randomly selected. The period of the study is 10 years (2008-2017). Description and inferential statistical methods were employed.

Mayowa et al (2021) study failed to capture the twenty-one (21) quoted consumer goods companies and the number of sample companies used are not mentioned by the researcher on the floor of Nigeria stock exchange and the period used is (5) years (2014 to 2018) which is not okay, 10 years period would have been better and to determine the impact of corporate governance and financial performance.

Ololade E. Balogun (2021) did not capture the numbers of sample companies quoted and used by the researchers out of (21) consumer goods companies quoted on the floor of Nigeria stock exchange as of 31st December 2019. The researcher used only a period of five (5) years between (2015-2019) which is inadequate rather the researcher would have used ten (10) years period between (2010-2019) to determine the impact on financial performance. Awodiran M. Adeseye (2019) failed to mention the total quoted companies currently on the floor of NEL as of 31 December 2017. The sample of sixteen (16) companies and period of 10 years used is okay to determine financial performance.

**Theoretical Framework**

**Stakeholder Theory**

The stakeholder theory (ST) of CG focuses on the effect of corporate activity and financial performance on all identifiable stakeholders of the corporation. This theory posits that corporate board of directors, management, and other staff should go into consideration that interest each stakeholder in its process of governance. Taking efforts to reduce conflicts between stakeholder interests. It looks further than the traditional members of the corporation shareholders and focuses on any third-party interests with some level of dependence upon the company.

Internal stakeholders are corporation's board of directors and other employees who are involved in process of corporate governance and financial performance. External Stakeholders and creators, customers, auditors, government agencies, supplies and community at large exert influence but are not directly involved in the process.

**Resource Dependency Theory (RDT)**

Resource dependency theory (RDT) is based on the principle that corporations must engage in transactions with the board of directors and other actors and business environment to acquire resources the company needs. RDT state that organizations depend on resources from external sources which affect their corporate governance performance structures in terms of the strategic management of external relationship alongside enforcing control over such organizations. In the same view as proponents of the theory who suggest that corporate governance company should seek proactively resource control in order to improve the organizational performance. This includes board of directors or non-executives are greatly appreciated more than their inside directors' counterparts because it provides the ability for the business organization with resources that would enhance company's performance as put by proponents in terms of board size, board capital board gender diversity, board independence and board motivation. Companies typically adjust their strategies to adapt to changes in relation to other companies.

**Methodology**

The study on Effect of CG on Performance of Quoted Consumer Companies in Nigeria used an ex-post facto research design which is undertaken after the events have taken place and the data are already in existence. The population and sample size for this study is based on the census population of the twenty-one (21) listed consumer's goods companies on the Nigerian Exchange Limited (NEL) as at 31st December 2021. The data were obtained from secondary sources collected from the audited annual financial reports of the quoted consumer's goods companies from 2011-2020, Panel.

Out of the 21 consumer goods companies that were quoted, data could only be gotten from 16 companies and consequently, adopted a sample of sixteen (16) consumer's goods companies. The study covered a 10 years period ranging from 2011-2020. The data was analyzed using multiple regression technique and data was used to run the regression. The reason for focusing on quoted consumer's goods companies was that their corporate annual reports are readily available, accessible and also provide a greater potential for comparability of results. Regression technique analysis in the form of General Least Squares (GLS) regression is the main technique method used for analyzing the data.

**Measurement of Variables.**

| This table indicated the formula used in computing the various variables used in the study | | | |
|---|---|---|---|
| **S/N** | **VARIABLES** | **MEASUREMENT INDEX** | **SOURCES** |
| 1 | ROA | ROA Net profit after tax divided by the total assets | Hassan, (2010) and Ebe, (2021). |
| 2 | BGD | BGD dividing the number of female directors over the board size | Ololade et al (2021) and (2003), Decenzo et al (2005) |
| 3 | ACM | ACM the numbers of meeting held by audit committee | Ahdamen et al (2012) and Pratama et al (2019) |
| 4 | BS | BS is board size measured as total number of persons sitting on the board | Ogbaisi, et al (2021), Omesi, et al (2021) Adepetun et al (2020) |
| 5 | BI | BI is dividing the number of board independent members over the board size | Mayona et al (2020) and Chagbadan (2011) |

## 4.0 Results and Discussion

**Descriptive Statistics**

The descriptive statistics is presented on Table 1 showing the measures of central tendency such as mean and measures of dispersion (the spread of the distribution) such as the standard deviation, minimum and maximum of the variables.

**Table 1. Descriptive Statistics of the Variables**

| Variables | Obs | Minimum | Maximum | Mean | Std. Deviation |
|---|---|---|---|---|---|
| ROA(%) | 160 | 0.096 | 0.575 | 0.15 | 0.025 |
| BS(No.) | 160 | 4.00 | 18 | 8.44 | 2.34 |
| BI(%) | 160 | 0.33 | 0.94 | 0. 78 | 0.13 |
| BGD(%) | 160 | 0.00 | 0.44 | 0. 13 | 0.056 |
| ACM(No.) | 160 | 10.75 | 40.56 | 30.26 | 5.23 |

Source: SPSS (version 23) output

From Table 1, the mean ROA for the sampled quoted companies in Nigeria is 0.15, indicating that the average profit earned by the companies is 15% of their total assets with a minimum profit of 9.6% of their total assets and maximum profit of about 57.5% of their total assets. This indicates a high variation of performance among the companies as depicted by the value of standard deviation (2.5%). BS recorded a mean of about 8 board members, implying that, most of the companies have 8 members on the board. It also recorded a minimum value of 4 and maximum value of 18 board members implying that the lowest number of board members in the sampled quoted non-financial companies within the study period is 4 board members, while the maximum number of board members is 18. This indicates a low variation in the number of board members among the companies as depicted by the value of standard deviation of two (2) board members which is lower than the mean value. BI recorded an average percentage of non-executive directors to total number of directors of about 78%, implying that, most of the sampled listed companies have non-executive directors than executive directors on their board. It also recorded a minimum value of 0.33 and maximum value of 0.94, implying that the minimum percentage of non-executive directors on the board is 33% for the sampled quoted non-financial companies, while the maximum percentage is 94%. This indicates a low variation in the percentage of board members among the sampled quoted companies as depicted by the value of standard deviation of (13%) which is lower than the mean value.

BGD recoded a mean value of 0.13, implying that, on average, the sampled quoted non-financial companies have 13% of women on their board. It also recorded a minimum of 0 and a maximum value of 0.44, implying that within the sampled listed non-financial companies and the study period, there were companies that do not have any woman on their board, while there were companies that had 44% of women on their board and men occupying 56%. This indicates a low variation in the percentage of women on the board among the sampled listed non-financial companies as depicted by the value of standard deviation of (6%) which is lower than the mean value. ACM recorded a mean of about nine (30) meetings, implying that, most of the companies have 30 meetings for audit committee on the board. It also recorded a minimum value of eleven (11) and maximum value of forty-one (41) meetings implying that the lowest number of meetings in the sampled listed non- financial companies within the study period is eleven (11) meetings, while the maximum number of meetings is forty-one (41).

This indicates a low variation in the number of meetings among the companies as depicted by the value of standard deviation of five (5) meetings which is lower than the mean value.

**Correlation Analysis**

Table 2 shows the correlation values between the dependent, moderating and independent variables and also the relation among the independent variables. The correlation coefficient has values that range from -1 to 1. The sign of the correlation coefficient indicates the direction of the relationship (positive or negative) and the absolute value of the correlation coefficient indicates the strength, with larger values indicating stronger relationships. The correlation coefficients on the main diagonal are 1.0, because each variable has a perfect positive linear relationship with itself.

**Correlation analysis table**

| Variables | ROA | BS | BI | BGD | ACM |
|---|---|---|---|---|---|
| ROA | 1.000 | | | | |
| BS | 0.787 | 1.000 | | | |
| BI | 0.790 | -0.675 | 1.000 | | |
| BGD | 0.890 | 0.346 | -0.567 | 1.000 | |
| ACM | 0.960 | 0.345 | 0.679 | 0.789 | 1.000 |

Source: SPSS

Decision rule: 5% level of significance

As shown on Table 2, the relationship between board size, board independence, board gender diversity, and audit committee with ROA are strong and positive with correlation coefficient values of 0.787, 0.790, 0.890 and 0.960 respectively.

**Regression Analysis**

Robustness tests were conducted in order to improve the validity of all statistical inferences for the study. The robustness test gives concrete evidence that the regression results were free of regression errors capable of invalidating the research's regression assumptions. The tests carried out include normality test, multicollinearity test, Breusch-pagan test for heteroscedasticity, Hausman specification test and F-test.

The Variance Inflation Factor (VIF) test was carried out to test for multicollinearity in the study model. The VIF were found to be consistently smaller than ten (10). The Breusch- pagan/Cook-weisberg test for heteroskedasticity was carried out and the result for the study model reveals that errors have constant variance (Non-heteroscedastic), which indicates that pooled OLS estimator has the minimum variance of all unbiased estimator and also the P-value was reliable which suggest that there is the absence of heteroskedasticity. This is evidenced by the insignificant prob>chi2 value of 0.36.

The result for Skewness and Kurtosis test for the study model shows a significant prob>chi2 value of 0.073, which suggest that error terms are not normally distributed and therefore, robust regression is performed as remedial action. Hausman specification test was conducted for the study model in order to choose between GLS fixed and random effects. The null hypothesis shows that fixed effect is preferable and the result shows prob>chi2 value of 0.00, which indicates that fixed effect regression is preferable. Thus, F-test was used in order to choose between pooled OLS and fixed effect regressions. The result of the F-test for fixed effect shows the prob>chi2 value of 0.00, which suggests that fixed effect is preferable over pooled OLS. Hence all the interpretations were done using fixed effect regression.

**Table 3: Regression Analysis**

| **Variables** | **Models** |
|---|---|
| Constant | 1.17***(3.80) |
| BS | 0.0035 (0.34) |
| BI | 0.12 (1.30) |
| BGD | 0.08 (0.92) |
| ACM | 0.09 (3.75) |
| Obs | 160 |
| F-test | 0.00 |
| $R^2$: within | 0.20 |
| Between | 0.15 |
| Overall | 0.13 |
| F-statistics | 6.08 |
| Sig. | 0.00 |

**Source: SPSS**

NOTE: ***, ** and * indicate 1%, 5% and 10% significant levels respectively; the t-value is presented in parentheses while the other figures represent the coefficient.

Table 3 shows the value of the overall R2 as 0.13 which is the multiple coefficient of determination that gives the proportion or percentage of the total variation in the dependent variable explained by the explanatory variables jointly. Hence, it implies that approximately 13% of total variation in financial performance of the sampled listed consumer goods companies in Nigeria is caused by board size, board independence, board gender diversity, and audit committee meetings.

It also shows the F-statistics value of 6.08 with the corresponding P-value of 0.0000. This implies that the model is well fitted and as such the variables in the model were properly selected, combined and used. It further implies that the relationships between the dependent variable and the explanatory variables were not due to mere occurrence as the results and inferences made from the findings could be relied upon by 99.9% based on 1% level of significance.

Table 3 also shows that all the Corporate Governance variables (Board Size, Board Independence, Board Gender diversity, and Audit Committee Meetings) have a positive and significant impact on financial performance at 5% level of significance with the following coefficients and t-statistics (ceff=0.0035, t=0.34), (ceff=0.12, t=1.30) , (ceff=0.08, t=0.92) and ( ceff= 0.09, t= 3.75) for board size, board independence, board gender diversity respectively and audit committee meetings. The positive impact of board size on financial performance implies that for every increase in board size by one director beyond the optimal level, the financial performance of the sampled listed consumer goods companies will increase by 0.35%. This implies that board size is crucial to achieving the board effectiveness and improved firm performance which is in line with the findings of studies.

In the same vein, the positive impact of board independence on financial performance implies that for every increase in the proportion of Non- Executive Directors (NEDs) beyond the optimal level by 1%, the financial performance of the sampled listed non-financial companies will increase by 12%. This implies that outside independent directors contribute their skills, connections, and contacts to satisfy all stakeholders and thus ensure the corporation's improved financial performance and long-term survival which is consistent with the result of previous studies. Moreover, the positive impact of board gender diversity on the financial performance implies that for every increase in the proportion of women directors on the board beyond the optimal level by 1%, financial performance of the sampled listed companies will increase by 8%. This also implies that higher proportion of female directors is associated with higher level of financial performance. Also, including women on boards bring more resources to the firm, such as improved decision-making and external linkages and the result is in agreement with previous studies. The positive effects of audit committee meetings on the financial performance, implies that constant and consistent meeting on the verification of financial transactions and documentation by 1% it will increase the performance of a quoted consumer goods companies by 9%.

The results of the study showed that Corporate Governance (board size, board independence, board gender diversity and audit committee) have an effect on ROA, all have of the impacts was found to be statistically significant. The reasons for the unexpected results, as explained above, might be because Corporate Governance codes in Nigeria prescribe strict rules for companies to follow and most corporations follow the letter of the rules superficially, without realizing that strict adherence to the rules brings tremendous benefits and improvement to corporate financial performance. Furthermore, the Companies and Allied Matters Act (CAMA, 2020) stipulates a minimum of two board members and the SEC code of CG made provision for a minimum of four members.

**Conclusion and Recommendations**

The study examined the effect of corporate governance on performance of quoted consumer companies in Nigeria. Corporate governance issues moved from the limelight to the fundamentals with light speed due to emergence of corporate failures and accounting scandals in corporations. Based on the finding from the previous section mentioned above in this study, the conclusions drawn BGD female directors has no significant effect on the performance of the quoted consumer's goods companies in Nigeria. BS has no significant effect on the performance of quoted consumer's goods companies in Nigeria. BI has no significant effect on the performance of quoted consumer's goods companies in Nigeria. ACM has no significant effect on the performance of quoted consumer's goods companies in Nigeria. The board oversea the management and defines the strategies policy and performance, risks and opportunity identify staff remuneration and policy and reviews internal control system and compliance (internal checked and internal audit). Despite the existence framework a global competitive report recently ranked governance and accountability, competitiveness and investor protection in Nigeria low thus an indication of serious needs to press forward on reform of corporate governance. The challenges remain the weak corporate governance practices as revealed by the board characteristics that have seen the companies perform poorly in international comparative rankings of governance and competitiveness.

The study recommended that management of Consumers goods companies should streamline the number of board members, by removing inactive members, reduce the number of outside directors and also increase the number of boards in an organization because of their significant roles in improving the organization performance. The code of corporate governance of consumers goods companies in Nigeria as it relates to board gender diversity, board size and board independence and audit committee meeting should have regular quarterly review meeting to improve corporate governance and enhance performance of quoted consumers goods companies in Nigeria. To have significant increase in the performance of the consumer's goods companies in Nigeria. Increasing board independence gives room for more experience, skill and expertise necessary to improve company performance. The more varied board of directors it will enhances good understanding of the markets in terms of differentiating growth in creativity and innovativeness, provide evaluation of more other alternatives and improved decision-making processes. Board members should increase interaction frequently among the members and staff, these will enable board to discuss on the company operations and create wealth and healthiness of the company will improved, manager's actions will be largely evaluated and monitored. The audit committee and board meetings frequency should not be too expenses in order to increase agency costs.

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